

BOCC Budget Workshop

February 29, 2024

Office of Human Resources



Human Resources: Budget Workshop Presentation



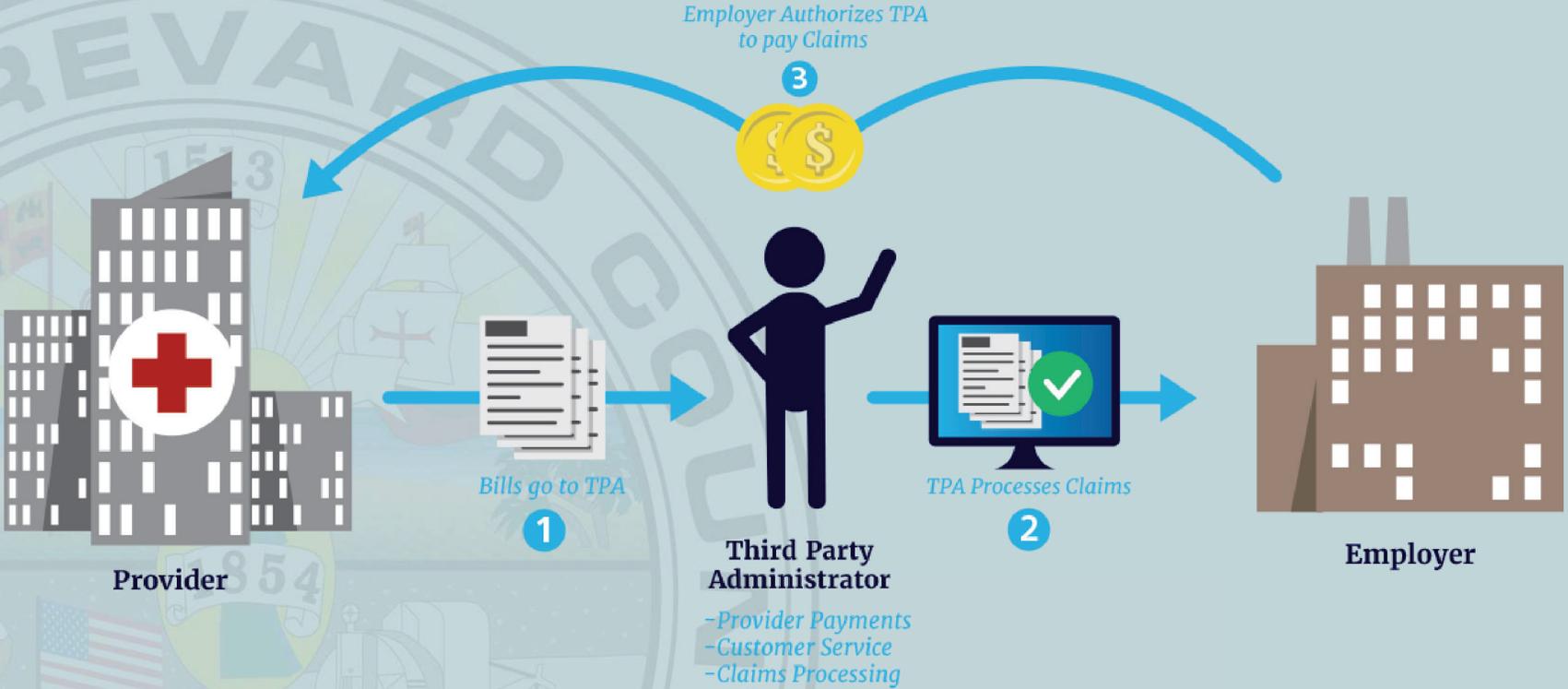
- Group Health Plan
 - Premium Contribution History
 - Health Plan Financial Summary
 - Sustainability and Simplification
- Property/Casualty Insurance Program
 - Projected Premiums
 - Reserve Requirements
- Recruiting / Retention Challenges and Successes
 - Vacancy Trends
 - Recruiting Efforts

Group Health - Demographics



| Entity | Employees | Dependents | Total Enrolled |
|-------------------------|-------------|-------------|----------------|
| BOCC | 1769 | 1607 | 3376 |
| Transportation Planning | 6 | 5 | 11 |
| Sheriff | 1041 | 1169 | 2210 |
| Clerk of Courts | 222 | 166 | 388 |
| Tax Collector | 163 | 142 | 305 |
| Property Appraiser | 90 | 79 | 169 |
| Court Administration | 9 | 3 | 12 |
| Supervisor of Elections | 26 | 21 | 47 |
| Melbourne-Tillman | 17 | 22 | 39 |
| TICO | 12 | 7 | 19 |
| Sebastian Inlet Tax | 3 | 3 | 6 |
| Indian River Lagoon | 8 | 2 | 10 |
| Retiree's Under 65+ | 226 | 181 | 407 |
| Retiree's Over 65+ | 496 | 145 | 641 |
| Surviving Dependent | 66 | 1 | 67 |
| Vested | 4 | 3 | 7 |
| COBRA | 4 | 3 | 7 |
| TOTAL | 4162 | 3559 | 7721 |

Self-Insured Health Plan



Employer Group Health Plan Contribution Rate History



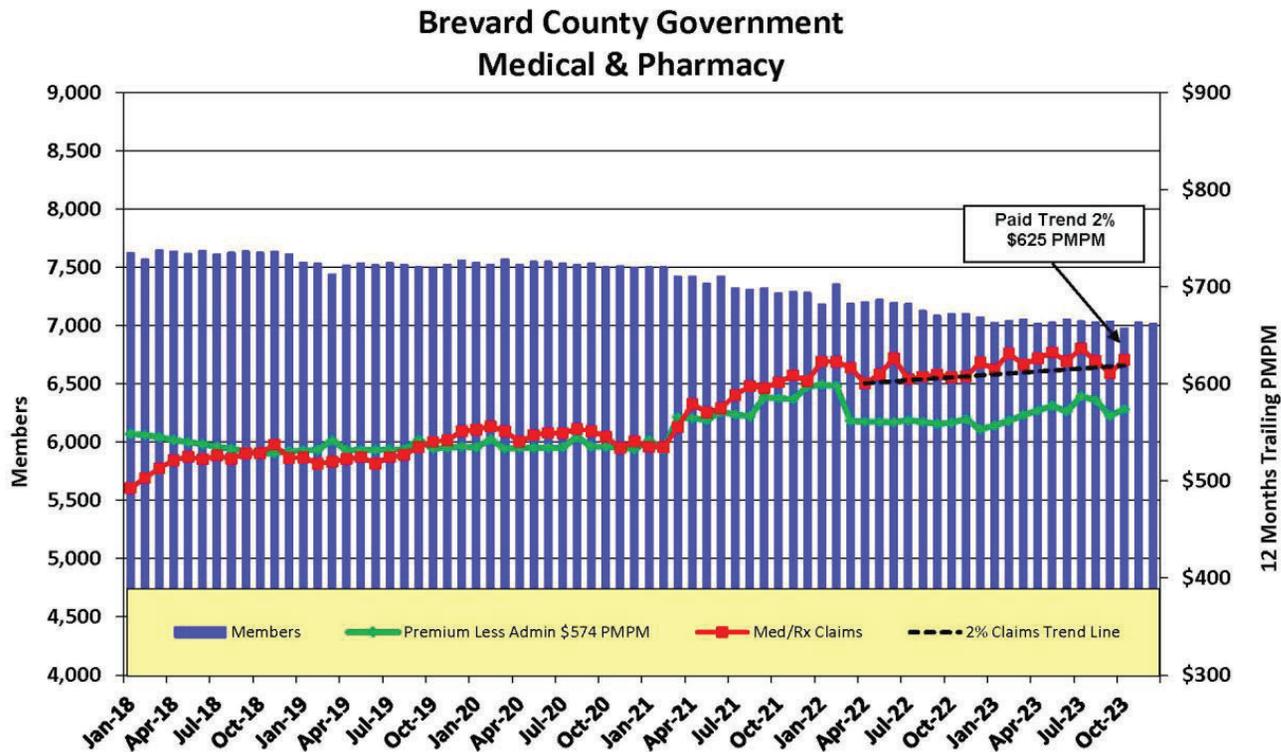
| Plan Year | Employer Paid Contribution Rate (PEPM) | ER% Change From Prior Year |
|------------------|---|---------------------------------------|
| 2017 | \$978.60 | -4.00% |
| 2018 | \$900.00 | -8.00% |
| 2019 | \$900.00 | 0.00% |
| 2020 | \$900.00 | 0.00% |
| 2021 | \$900.00 | 0.00% |
| 2022 | \$918.00 | 2.00% |
| 2023 | \$991.44 | 8.00% |
| 2024 | \$1,071.00 | 8.00% |

Group Health Plan 5 Year History



| Group Health Plan Revenue | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|-----------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Group Health Ins Premium | \$ 52,763,419 | \$ 53,504,115 | \$ 52,293,811 | \$ 51,520,502 | \$ 55,095,911 |
| Rx Rebates, Perf. Guarantees | \$ 2,481,383 | \$ 2,815,718 | \$ 5,795,994 | \$ 3,514,055 | \$ 3,776,710 |
| Other Revenues | \$ 963,743 | \$ 926,316 | \$ 458,581 | \$ 716,983 | \$ 867,508 |
| ARPA Reimbursement | \$ - | \$ - | \$ - | \$ 3,596,298 | \$ - |
| Total Revenue | \$ 56,208,545 | \$ 57,246,149 | \$ 58,548,386 | \$ 59,347,838 | \$ 59,740,129 |
| Group Health Plan Expenses | | | | | |
| Medical Claims | \$ 38,621,555 | \$ 39,868,452 | \$ 43,417,715 | \$ 45,360,871 | \$ 41,450,553 |
| Rx Claims | \$ 11,339,868 | \$ 14,194,915 | \$ 14,127,969 | \$ 14,000,147 | \$ 15,317,148 |
| Supplemental Insurance | \$ 3,431,550 | \$ 4,592,750 | \$ 4,703,645 | \$ 4,440,516 | \$ 4,216,721 |
| Other Program Costs | \$ 2,458,634 | \$ 2,718,786 | \$ 916,215 | \$ 1,540,284 | \$ 1,371,961 |
| Total Expenses | \$ 55,851,607 | \$ 61,374,903 | \$ 63,165,543 | \$ 65,341,819 | \$ 62,356,382 |
| (Over) Under Spent | \$ 431,768 | \$ (4,128,754) | \$ (4,617,157) | \$ (5,993,981) | \$ (2,616,253) |
| Adj for Non-Current A/P and A/R | \$ (74,830) | \$ 1,444,178 | \$ 320,469 | \$ 827,267 | TBD |
| End of Year Fund Balance | \$ 43,484,733 | \$ 39,281,149 | \$ 36,108,170 | \$ 30,434,658 | \$ 28,645,672 |

Health Plan Trend Rolling 12 Month Basis Medical and RX



Based on 18 months trend

Group Health Plan Financial Summary (Paid Claims Basis)



| | CY 2022 | CY 2023 |
|---|----------------|-----------------|
| Calendar Year Revenue | \$57,660,159 | \$60,426,049 |
| Calendar Year Expenses | \$63,911,525 | \$64,409,501 |
| Annual Plan Rev. vs. Exp. | (-\$6,251,366) | (-\$3,983,452)* |
| Required Reserve (60 days claims + IBNR) | \$15.0M | \$ 15.7M |
| Ending Reserve Balance | \$25.9 M | \$22.0 M* |

** Per actuarial report draft*

Sustainability



- **Employer contribution rates.**
 - Employer Premiums increase 8% in FY23 and F24
- **Consider change in rate for dependents over 26**
- **Compressing PPO and PPO Preferred**
- **Continue to explore narrow networks for free standing facilities, direct contract opportunities w/copays**
 - Surgery+ / Hinge PT / Medfast / MDLive / Jewett Ortho / SaveOn Rx / Out-Patient Surg / Diag. Imaging

Simplification

- Transition HRAs to FSAs with employer contribution
 - Single card/account
 - Allow current HRA credits to move over to FSA incrementally
- Create a flat co-pay for Pharmacy (eliminate deductible + co-insurance)
- Work on additional education before next open enrollment period to help employees better understand the networks so they can make educated choices

Property/Casualty Insurance Program



- Trends/projections in property/casualty insurance premiums
- Reserve Funding

Property/Casualty Insurance Program Premiums



- **Property:** Projected 10% premium increase in 2024
- **Other lines:** Projected 9% increase overall*
** Assuming no increase in sovereign immunity cap.*

Property/Casualty Insurance Program Premiums



| LINE | '23-'24 PREMIUM | PROJECTED '24-'25 PREMIUM | % INCREASE |
|---------------------------|--------------------|---------------------------|------------|
| CRIME | \$2,820 | \$2,961 | 5% |
| GENERAL LIABILITY | \$493,036 | \$566,991 | 15% |
| AUTO | \$153,886 | \$169,275 | 10% |
| PUBLIC OFFICIALS | \$216,232 | \$248,667 | 15% |
| CYBER | \$54,597 | \$57,327 | 5% |
| WORKERS' COMP | \$1,069,587 | \$1,230,025 | 15% |
| POLLUTION | \$103,967 | PRE-PAID 3 YR TERM | --- |
| AIRCRAFT HULL & LIABILITY | \$90,304 | \$99,335 | 10% |
| TOTAL | \$2,184,430 | \$2,374,581 | *9% |

Property Insurance Policy Period 6/1/23 - 5/30/24 \$4,118,685

***Assuming no change in sovereign immunity cap**

Property/Casualty Insurance Program



| Insurance Program | FY 2023 Actuals | FY2024 Premium % Inc |
|-----------------------------|-----------------------|----------------------|
| Workers Compensation | | |
| Revenue | \$ 5,900,004 | |
| Expenses | \$ 7,740,310 | 8% |
| Surplus/Deficit | \$ (1,840,307) | |
| Property | | |
| Revenue | \$ 2,638,313 | |
| Expenses | \$ 3,640,834 | 10% |
| Surplus/Deficit | \$ (1,002,521) | |
| Auto | | |
| Revenue | \$ 893,116 | |
| Expenses | \$ 2,001,040 | 8% |
| Surplus/Deficit | \$ (1,107,924) | |
| General Liability | | |
| Revenue | \$ 1,581,613 | |
| Expenses | \$ 2,713,054 | 8% |
| Surplus/Deficit | \$ (1,131,441) | |
| End of Year Balance | \$ 10,979,732 | |

Recruiting Results - 2023

(Excluding Fire Rescue)

Calendar Year, 2023:

- **New Hires: 247**
- **Rehires: 22**
- **Separations: 198** (includes 37 retirements)
- ***Net Gain: +71***

5 year Average Vacancies / Turnover



| | % Monthly Based on 2400 ee's | Annual Turnover |
|------|---------------------------------|-----------------|
| 2019 | 12.39% | 11.37% |
| 2020 | 12.38% | 11.23% |
| 2021 | 14.50% | 12.62% |
| 2022 | 15.88% | 16.07% |
| 2023 | 14.10% | 11.10% |

Recruiting Initiatives



Passive vs Active Recruiting

- Staff positions have been created in key departments In an effort to move from “Passive” recruiting to “Active” recruiting:
 - Human Resources Career Development Manager
 - BCFR Recruiting Specialist
 - Public Works Recruiting & Community Outreach Specialist

Recruiting Initiatives - Community Relationships

- **Targeted Recruiting**
 - **Veterans Outreach Programs**
 - Patrick SFB - Career Transition Office
 - DOD Skills Program
 - **Military Veterans Job Fairs**
 - Viera - 11/8/23, 3/2/24
 - Palm Bay - 2/8/23, 2/7/24
- **Community Job Fairs/Outreach**
 - **Sponsored and/or attended 15 additional job fairs in 2023**

Recruiting Initiatives - School Relationships



Brevard Public Schools:

- **Career Technical Education (CTE) Program Student Internships**
 - Student Placement: Public Works, Planning & Development, Solid Waste, Tourism, Libraries
- **Brevard Public Schools Fire Academy**
 - Partnership w/ BCFR and EFSC
 - Palm Bay H.S.

Retention Initiatives Compensation:

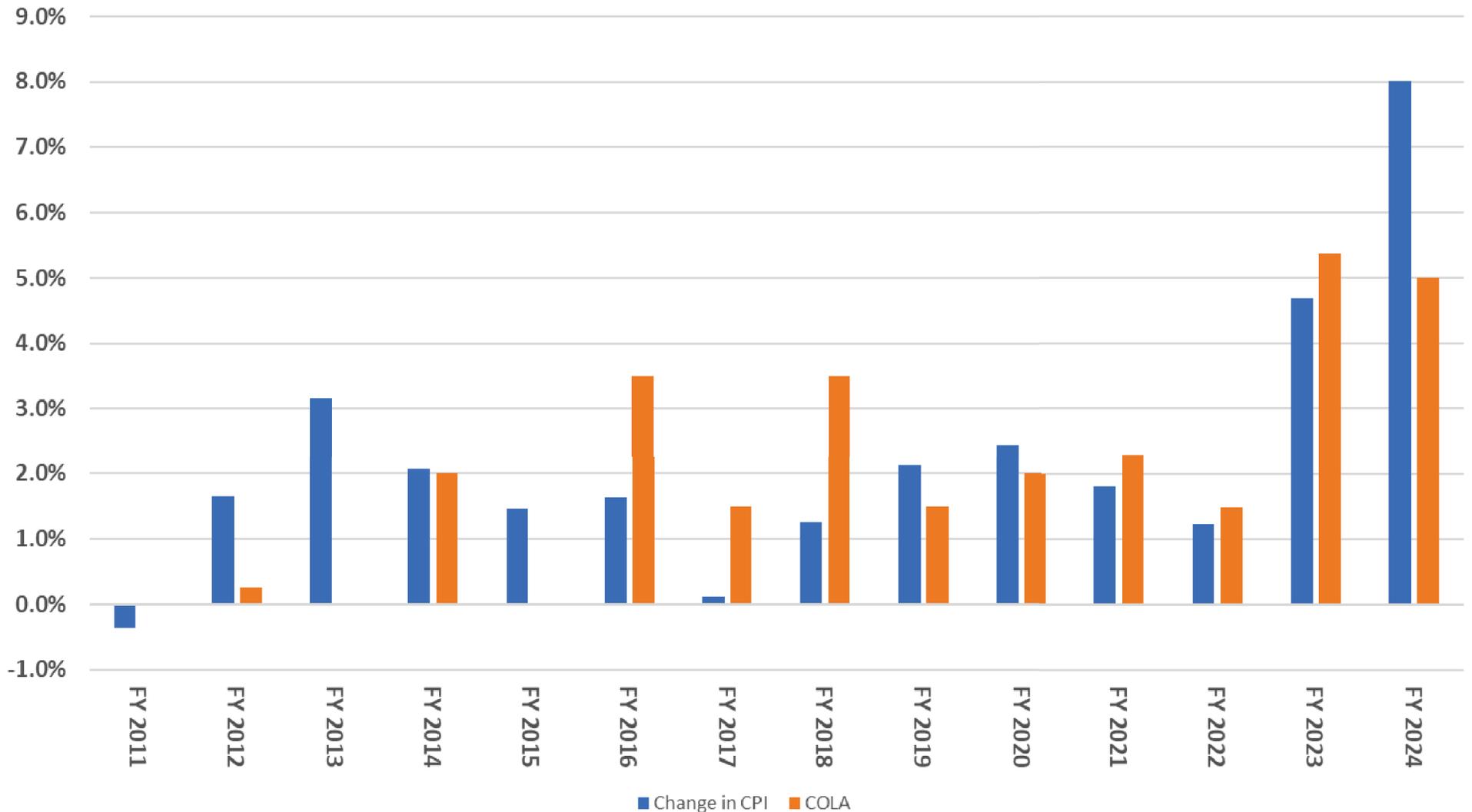


- COLA - 14 Year History:

| Fiscal Yr | COLA % | | Fiscal Yr | COLA % |
|-----------|------------|--|-----------|------------------|
| FY10/11 | 0 | | FY17/18 | 3.5 |
| FY11/12 | 2.5% (FRS) | | FY18/19 | 1.5 |
| FY12/13 | 0 | | FY19/20 | 2 |
| FY13/14 | 2 | | FY20/21 | 2.3 |
| FY14/15 | 0 | | FY21/22 | 1.5 |
| FY15/16 | 3.5 | | FY22/23 | 5.38 (or \$1/hr) |
| FY16/17 | 1.5 | | FY23/24 | 5 (or \$1/hr) |

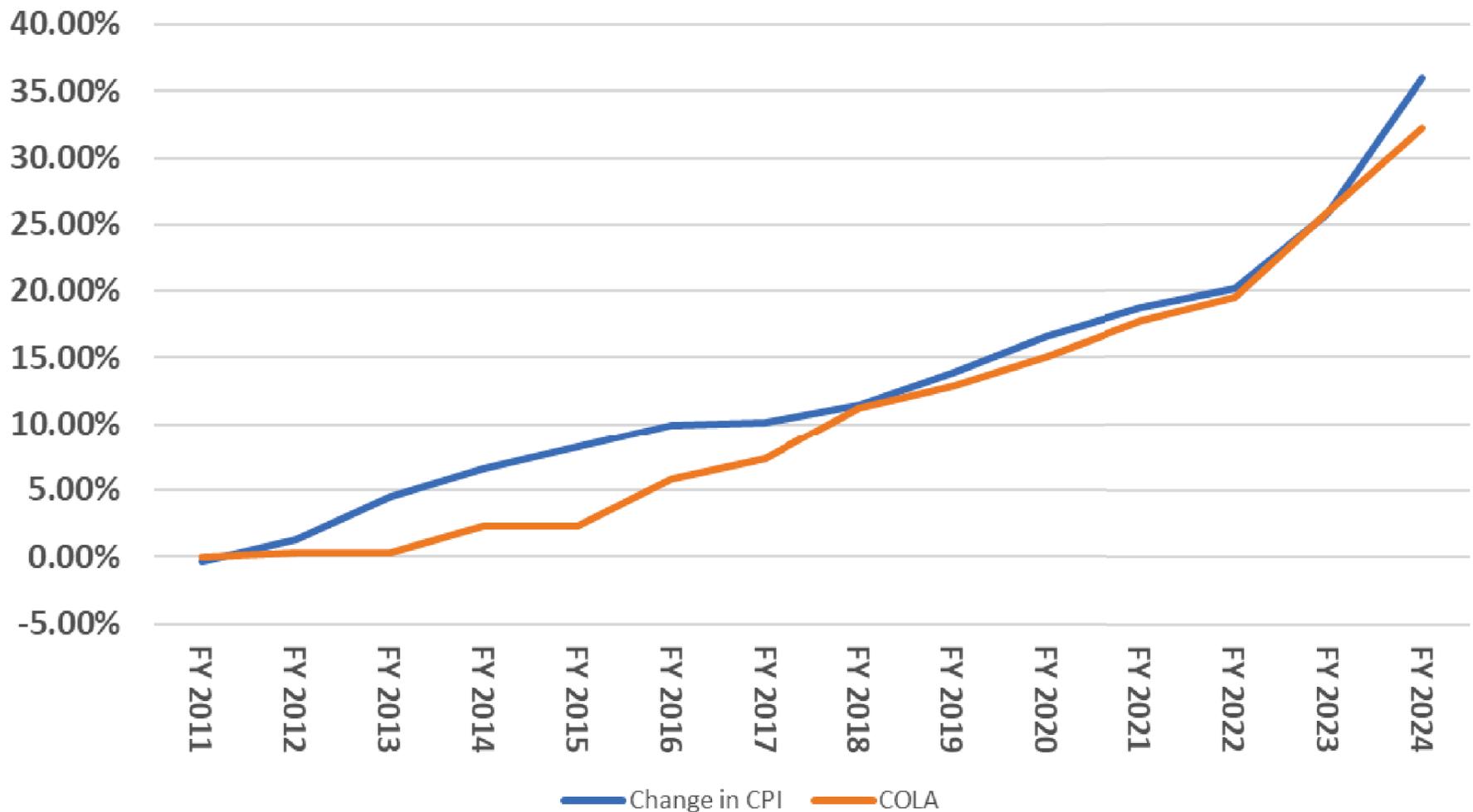
Retention Initiatives Compensation:

Change in CPI vs COLA



Retention Initiatives Compensation:

Change in CPI vs COLA
(Cumulative)



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